



97TH GENERAL ASSEMBLY

State of Illinois

2011 and 2012

HB3770

Introduced 4/26/2011, by Rep. Tom Cross

SYNOPSIS AS INTRODUCED:

New Act

Creates the Government Accounting Oversight and Accountability Board (GAOAB). Provides that the GAOAB shall (1) review the accounting documents of the State of Illinois on a quarterly basis and report to the General Assembly on the transparency of the documents; (2) serve as a third party arbitrator between the Commission on Government Forecasting and Accountability and the Governor's Office of Management and Budget to facilitate the agreement of both parties on all budgetary numbers for agencies, revenue estimates, spending projections, and future liabilities; and (3) serve as an independent board to sign all documents affirming that all numbers transmitted by the State are the most accurate and transparent numbers available. Provides that the GAOAB is composed of 5 members, one appointed by each of the legislative leaders and one appointed by the Executive Ethics Commission. Effective immediately.

LRB097 11606 PJG 54624 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning State government.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 1. Short title. This Act may be cited as the
5 Government Accounting Oversight and Accountability Board Act.

6 Section 5. Legislative findings. Transparency in
7 government accounting is imperative to ensure current
8 budgeting is accurate and that projections of future
9 liabilities, including pension and health insurance
10 liabilities, are adequately funded.

11 Newly adopted Government Accounting Standards Board (GASB)
12 Statements 43 and 45 require the disclosure of annually
13 required contributions for pension and health insurance
14 benefits. These annually required contributions are the
15 amounts a government must contribute or set aside each year to
16 meet its actuarial accrued liability for all post-employment
17 benefits.

18 Illinois offers its employees various retirement benefits
19 in addition to pension benefits to boost their overall
20 compensation package, including health insurance, prescription
21 drug benefits, dental care, and vision care.

22 The State of Illinois needs to implement truth in
23 accounting provisions to make certain that State officials

1 report accurate financial information and that State officials
2 are held accountable to the public.

3 Section 10. Creation of the Government Accounting
4 Oversight and Accountability Board; duties.

5 (a) The Government Accounting Oversight and Accountability
6 Board (GAOAB) is created to provide independent oversight of
7 governmental accounting procedure, create transparency, and
8 provide a level of accountability.

9 (b) The GAOAB shall:

10 (1) review the accounting documents of the State of
11 Illinois on a quarterly basis and report to the General
12 Assembly on the transparency of the documents;

13 (2) serve as a third party arbitrator between the
14 Commission on Government Forecasting and Accountability
15 and the Governor's Office of Management and Budget to
16 facilitate the agreement of both parties on all budgetary
17 numbers for agencies, revenue estimates, spending
18 projections, and future liabilities; and

19 (3) serve as an independent board to sign all documents
20 affirming that all numbers transmitted by the State of
21 Illinois are, to the best of their knowledge, the most
22 accurate and transparent numbers available.

23 Section 15. Membership; terms; experience; compensation.

24 (a) The GAOAB is composed of 5 members, one appointed by

1 the President of the Senate, one appointed by the Speaker of
2 the House, one appointed by the Minority Leader of the Senate,
3 one appointed by the Minority Leader of the House, and one
4 appointed by the Executive Ethics Commission. The appointee of
5 the Executive Ethics Commission shall serve as the Chair of the
6 GAOAB.

7 (b) Of the initial appointees, the member appointed by the
8 Executive Ethics Commission shall serve a one-year term, the
9 members appointed by the President of the Senate and the
10 Speaker of the House shall each serve one 3-year term, and the
11 members appointed by the Minority Leader of the Senate and the
12 Minority Leader of the House shall each serve one 2-year term.
13 Thereafter, members shall serve for 4-year terms. Members may
14 be reappointed for succeeding terms.

15 (c) Each member shall have demonstrated sufficient
16 business or professional experience in the area of business and
17 accounting to perform the functions of the GAOAB.

18 (d) Members of the GAOAB shall serve without compensation.

19 Section 20. Administrative support. The Executive Ethics
20 Commission shall provide administrative and other support to
21 the GAOAB.

22 Section 99. Effective date. This Act takes effect upon
23 becoming law.